

IN THE
United States Circuit Court of Appeals
FOR THE NINTH CIRCUIT

BROWN-MEYER COMPANY, a Corporation,
APPELLEE

VS.

**BROADWAY TOWEL SUPPLY COMPANY, a
Corporation, and AMOS BURG**
APPELLANTS

Petition for Rehearing

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Filed

SEP 28 1907

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Clerk.



IN THE
United States Circuit Court of Appeals
For the Ninth Circuit

BROWN-MEYER COMPANY, a corporation,
Appellee,

v.

BROADWAY TOWEL SUPPLY COMPANY,
a corporation,
and AMOS BURG,
Appellants.

Petition for Rehearing

*To the Honorable, the United States Circuit Court
of Appeals for the Ninth Circuit:*

The appellee petitions the Court to grant a rehearing in the above entitled cause, and respectfully represents that the Court in its opinion and decision erred upon the following points, to wit:

I. In holding that infringement committed by appellants extended only from November 3 to December 1, 1914.

II. In holding that appellants made any material change in their device between November 3, 1914, and February 28, 1916.

III. In denying appellee the benefit of the doctrine of equivalents.

IV. In holding that the combination described in the Reid patent of record contains all the elements of the appellee's combination, with the single exception that in the Reid device the lower end of the chain is brought back and fastened by a staple to the wall beneath the standard.

V. In holding that all Brown added to Reid's device was to detach from the wall the lower end of the chain and bring it higher and attach it to the lower end of the standard by means of a padlock.

VI. In assigning to the Brown patent sued upon a narrower scope than that to which its claims entitle it, and holding that appellee depends on a single limited feature.

VII. In holding that Brown in his application made claims broader than those of his patent and that the Patent Office rejected them.

VIII. In holding that appellants' device lacks the element which is the distinguishing feature of Brown's invention.

IX. In holding, if it does so hold, that the principles announced in *Dowagiac Mfg. Co. v. Minnesota Plow Co.*, 235 U. S. 641, are applicable to an accounting in this case.

I.

This petition might stand solely upon the ground that the holding that appellants' device was changed after December 1, 1914, contradicts the record in the case.

Amos Burg, one of the appellants and president also of the corporation appellant, says (Record, lower half of page 39) :

"I made no change in the device except to fasten the loose end of the chain to the basket. . . . We discontinued making the fastening to the lock, and *we used the same device* in every other respect as we had used it before.

"If we took the basket off that chain we could still use it just as we did in the first instance, that is, if we put back the link in the lock."

W. C. H. Smith (Record, page 29) testifies :

"After issue of patent in suit I made this change of disconnecting the lower end of the chain from the bottom of that post and dropping it into a basket, fastening it to a basket."

The main fact urged in support of this petition is further established by every witness, admitted by opposing counsel, and found by the Court below.

II.

The only change alleged was not in the device itself, but in the manner of using it, which was as set forth in the answer of Amos Burg, *supra*.

The use as practiced by appellants before December 1, 1914, and as practiced by them after that date was of the same device, for the same purpose, and to the same end.

Such variation of use does not come under the doctrine of equivalents, and scarcely rises to the dignity of a "double use." It is rather a diminished use with diminished utility.

To make it possible, logically, to apply the doctrine of equivalents it is essential that there be at least two objects for comparison. Structurally considered, appellants' device has been always single and identically the same.

Even double use, if made out, does not avoid the charge of infringement.

That an inventor is entitled to every use to which his invention may be applied is an elementary doctrine and well established by numerous cases, from which the following are selected.

Union Stone Co. v. Allen, 14 Fed. Rep. 353.

Stowe v. Chicago, 104 U. S. 547, 26 L. Ed. 816.

Roberts v. Ryer, 91 U. S. 150, 23 L. Ed. 267.

The decision of the Court below is conformable to the decision of the Supreme Court in *Western Electric Co. v. La Rue*, 139 U. S. 601, 35 L. Ed. 294, which in part reads as follows:

“the application of the patented device to *another use* (italics mine) where such new application does not involve the exercise of the inventive faculty, is as much an infringement as though the new machine were an exact copy of the old.”

In the case before the Court appellants' machine as it existed after December 1, 1914, is not only “an exact copy” of the machine as it existed before that date, but is actually the same machine, neither more nor less.

“A machine that infringes part of the time is an infringement, although it may at other times be so operated as not to infringe.”

Wright Co. v. Herring-Curtiss Co., 211
Fed. Rep. 654.

“Structure and not results the test. Defendants should not be allowed to evade a claim of infringement by saying that, while they make use of the idea of the complainants in part they do not use it to the fullest extent.”

Kimball v. Waters Metal Const. Co., 177
Fed. Rep. 239, *vide* page 247.

The circumstance of a difference in use must be regarded as an immaterial difference.

The Court, Butler, J., enlarging upon this point, says:

“If not the evasion of the patent, and, indeed, of all patents would be easy. Nothing more would be necessary than to waive an immaterial part of the benefit derived from the invention. . . . The manner in which the machine is used does not affect the question. The manner of using does not characterize the machine. This is done by its structure and its capabilities.”

Sewing Machine Co. v. Frame, 24 Fed.
Rep. 599.

To the same effect from among numerous ones the following cases are selected:

Penfield v. Chambers, 92 Fed. Rep. 630 (C. C.
A. 6 Cir.).

King v. Hubbard, 97 Fed. Rep. 795,

Citing Sewall v. Jones, 91 U. S. 171;

Coupe v. Weatherhead, 16 Fed. 673;

Machine Co. v. Binney, 24 Fed. Cas. 653.

III.

The opinion of the Court in effect absolutely denies appellee the benefit of the doctrine of equivalents, and appears to incline towards the old doctrine that only the pioneer patent is entitled to invoke the doctrine of equivalents.

That view, it is submitted, is directly in the teeth of the decision of the United States Supreme Court, Paper Bag Case, 210 U. S. 405, 52 L. Ed. 1122, and cases cited therein.

In that case the Supreme Court has, as Judge Quarles observes, (Commercial Acetelene Co. v. Avery, 166 Fed. Rep. 917) corrected that erroneous view of the law "and awards to every meritorious inventor the benefit of the doctrine of equivalents."

In the Paper Bag Case, *supra*, the Court says, in respect to erroneous constructions placed upon its former decisions, "it was not meant to decide that only pioneer patents are entitled to invoke the doctrine of equivalents."

It has been insisted in the foregoing that the facts in this case are not such as to demand or even permit the application of the doctrine of equivalents; but, nevertheless, that doctrine is again referred to, because the consideration given by the Court to it appears to have given a bias to the mind of the Court.

It is not to be assumed that the Court was unmindful of the rule laid down in the Paper Bag Case, but only that it regarded the case at bar as an extreme one under that rule.

For that reason, and particularly because appellee has hitherto had no opportunity to controvert the points advanced in the opinion of this Honorable Court, this petition is presented and argument at greater length than the rule invites is herein offered.

Your petitioner prays, therefore, and because the opinion of the Court presents a case not made by opposing counsel at the hearing, that all the points herein presented may receive the patient consideration of this Court.

IV.-V.

The decision of the Court appears to hinge upon the following proposition (Opinion of the Court, page 3) :

“All that Brown added to Reid’s device was to detach from the wall the lower end of the chain and bring it higher and attach to the lower end of the standard by means of a padlock.”

This statement, it is submitted, does not set forth the facts, which are as follows.

The prior art shows, as in the Rousso Design Patent of April 9, 1912, for example, substantially all that Reid has, except Reid’s chain 5. Reid saw the advantages of a chain, but to use it he sacrificed, on the one hand, the utility of his device in another direction, and he did not, on the other hand, discover how the chain could be utilized to best advantage.

The towel-retaining rod shown in the Rousso patent, disregarding its serious defects, may, if locked in place, afford at least one means of secure assemblage of the towels upon it, without impairing the means for stripping off the soiled towels. Reid, in devising means to lock his bar 1^a to his shelf 7, provided no means for stripping off the soiled towels except backward over the bar 1^a. To do this one must lift off the towels from the lower end of the

chain and manipulate them in order to slip them around the crooked or gooseneck of that bar.

The Brown device permits the towels to drop off the lower end of the chain and minimizes over all other earlier devices the time required for delivery of the towels. The item of time in delivery is obviously a major consideration, and particularly in view of the estimate offered by appellants that two wagons were necessary in their small business (see Record, page 74). That fact alone will sufficiently account for appellants' persistent use of the Brown device in preference to any other.

The superior utility of the chain over the rod is testified to by appellants' witness Clancy (Record, page 41).

The question of the superior utility of appellee's device was not entered upon at the trial. Doubtless, both parties recognized the rule laid down by the Supreme Court in *Lehnbeuter v. Holthaus* (105 U. S. 94, 26 L. Ed. 939), namely:

"The fact that it has been infringed by defendants is sufficient to establish its utility, at least as against them."

But differences, other than those above pointed out, between the Reid device and the Brown device in suit are radical.

Brown shows and claims a chain securely locked to a shelf. Reid shows one only partially locked to a shelf. Reid shows a chain locked at one end only.

Brown shows a chain having both ends locked together.

The important advantage, moreover, of a greater sweep of chain is thereby obtained and demonstrated for the first time. This is not denied by appellants (Record, page 25), but they claim that Reid's device might by adjustment be made to afford the same sweep. This comparison, made after the Brown invention was made, is not a fair one, even if the fact alleged were true, which is denied. Brown was the first to discover a new utility and provide means to effect it.

Reid's device demands, and his single claim calls for a special kind of lock. Brown does not use Reid's combination, but taking some of the elements in common use employed by Reid adds to them to produce a new combination. He extends his member 4 through the shelf 1, to accommodate in it an aperture 9 below the shelf, and employs "means" (a padlock 7) to complete the novel combination. If the Reid device even suggested any *means* whatsoever by which it were possible to detach his chain from the wall "and attach it to the lower end of the standard by means of a padlock," the patent in suit would never have issued with claims 1 and 2, and this suit would not have been brought.

VI.

The immediately preceding assertion that claims 1 and 2 would not have been allowed is made advisedly, upon the clear apprehension of the invention

manifested by the examiner in charge of the application upon which the patent issued.

Upon first action, it is true, he rejects the claims of the Brown patent, but subsequently he admits his error and reverses himself. The claims of the patent are precisely claims 3, 4, 9 and 10 of the application as filed, without any amendment.

“The final granting of the claims allowed strengthens rather than weakens the patent.”

U. S. Fastener Co. v. Bradley, 143 Fed. Rep. 529, last paragraph.

“While an applicant may by his action impose any limitations upon a patent, it is a corollary of this proposition that if the applicant successfully defends his position and secures the assent thereto of those in the Office having charge of the application, and the patent issues notwithstanding the objection which had at one time been urged, the patent is not subject to diminution on that account.”

American Stove Co. v. Cleveland Foundry Co., 158 Fed. Rep. 983 (C. C. A. 6 Cir.).

“A claim is not to be limited by construction in view of proceedings in the Patent Office with respect to features which were not subject to discussion or amendment.”

Haskell Golf Ball Co. v. Perfect Golf Ball Co., 143 Fed. Rep. 128.

The facts in this case are luminous upon the point decided.

In that case the Court quotes from *Bundy Mfg. Co. v. Detroit Time Reg. Co.*, 94 Fed. Rep. 524 (C. C. A.), as follows:

“To be estopped by the action of the Patent Office, a patentee must be shown to have surrendered something which he now claims in order to obtain that which was allowed.”

The cases to like effect are very numerous, for example:

Diamond Drill Co. v. Kelly Bros., 120 Fed. 282.

Levy v. Harris, 124 Fed. 69.

Wagner v. Wyckoff, 151 Fed. 585.

Seeger v. American, 171 Fed. 416.

Beryle v. S. F. Cornice Co., 181 Fed. 692.

Gen. Elec. v. Freeman, 190 Fed. 34.

Hall v. Teabout, 205 Fed. 906.

Rolleman v. Universal, 207 Fed. 97.

O'Brien-Worthen v. Stempel, 209 Fed. 847.

Crown v. Sterling, 217 Fed. 381.

Hess-Bright v. Fichtel, 219 Fed. 723.

Veneer Mch. Co. v. G. R. C. Co., 227 Fed. 419.

Kistner v. Atlantic, 230 Fed. 829.

Frey v. Marvel, 236 Fed. 916.

VII.

The file-wrapper makes no such showing in the present case as should restrict the scope of the claims of the patent, but makes a contradictory showing. The only claims entitled to consideration that were erased while the Brown patent was pending were original claims 1 and 2 of Brown's application. A sufficient objection to them was made by the examiner (Record, page 112) that they were "indefinite in terms." The examiner adhered finally to that ground of rejection (Record, page 119). Claims 3 and 4 were thereupon decided by Brown to be of sufficient breadth if construed to meet the limitations imposed by the prior art only, and they were accepted (Record, pages 120-121). Care, however, was taken by counsel to avoid implied limitation, by authorizing their erasure "without prejudice" (Record, page 121). This was not done under the impression that it would avail against an actual surrender of any rights, but only to guard against the situation that now presents itself, namely, a limitation by construction, and the imputation of an intention to surrender anything where no such intention obtained.

Both claims 1 and 2 of the patent are broadly drawn, the first to a combination embracing "means for securing both ends of said retaining member to the assembling member." The second is differentiated from the first by means for "detachably" securing the same.

By the allowance of a claim within the breadth

of the term "means" the Patent Office concedes (as this Court has held in *Directory Co. v. Polk*, 121 Fed. Rep. 742) that scope to the invention for which appellee now prays recognition. To reduce that term by construction to a mere padlock is to do violence to the very language employed. Nevertheless, even if the language of the claim did limit it to a padlock, it would still define precisely what appellants used from December 1, 1914, to February 28, 1916.

The proposition advanced in the opinion of the Court, that "a claim cannot be so construed as to cover what was rejected by the Patent Office," however sound in law, does not apply in this case.

Appellee asks for no such construction. Claim 1, for instance, of the patent only puts into definite terms what original claim 1 of the application expressed, according to the examiner, in indefinite terms. It would involve a contradiction of terms to say that an accepted definition deviates from an indefinite statement!

To use the language of the Court in *Bundy v. Detroit*, *supra*, Brown surrendered nothing in order to obtain said claim 1 of his patent. He merely elected to accept that claim in the face of the examiner's objection that other claims were indefinite.

There is no doubt that the law is precisely as laid down by the Court upon reference to *Cleveland Pneumatic Tool Co. v. Chicago Pneumatic Tool Co.*, 135 Fed. 783; but it is equally clear that if appellants' device had been existent before that of ap-

pellee, and evidence of that fact had been before the examiner while in charge of the Brown application, he would have unhesitatingly and properly rejected the Brown application upon appellants' device.

To have done so would be in accord with the elementary practice of the Patent Office.

VIII.

The proposition set forth in the opinion of this Court (page 5, lines 16-19) "that the appellants' device lacks the element which is the distinguishing feature of Brown's invention," is contradicted, as set forth at the outset, by the record.

It is not true that appellants' device lacks any element that belongs to the Brown invention. The Court has been misled as to the facts. Upon the state of facts assumed its conclusion is sound, but the material fact is wanting.

It is because of that mistake that counsel feels himself constrained by a sense of duty to this Court and to the Court below to present this petition as being the only course open to him by which to put the Court upon notice of its mistake.

IX.

If it be held that the principles of the *Dowagiac Mfg. Co. v. Minn. Plow Co.* apply to this case on accounting, it must be so held under Sections IV. and V. of this brief. It is presumed that the one holding will stand or fall with the other.

SUMMARY.

The action of this Honorable Court, insofar as it reverses the Court below, works great hardship upon an innocent party whose every act entitles it to the benign consideration of a court of equity.

The subject-matter of the patent in suit was invented by Brown to enable appellee to provide sanitary towel-service in Portland, Oregon, in obedience to a public demand. Before the patent in suit issued to appellee, appellants appropriated the invention (see Record, page 28) to the injury of the appellee, and continued to use the same after notice of patent till December 1, 1914. At that date a change, not alleged to be more than a change of use, was made, and appellants continued to use the identical devices which they had used before December 1, 1914, until February 28, 1916, when they were enjoined by the Court below.

Appellee relying, as it believed it had good reason to do, upon repeated assurances, upon the grant of the patent, upon the recognition of its validity by appellants, and finally upon the decree of the Court below, has been put to great expense in the effort to protect its rights as secured by the patent in suit.

By the action of this Honorable Court the validity of the patent is recognized to the extent only of an empty decree that gives it, in effect, a twenty-eight day patent in lieu of a patent for the term of seventeen years conferred by the grant. In substance, it dissolves the injunction.

Your petitioner must conclude from the action taken in this case that this Honorable Court has gained a mistaken apprehension of the nature of the invention which constitutes the subject-matter of the patent in suit, and perhaps of the relationship subsisting between the parties and their rights.

A close analysis of the opinion of the Court tends to lead to the conclusion that this Court holds the said invention in esteem far below its merits.

The value and importance of the invention have never been seriously questioned. The presumption of utility in consequence of the grant, is fortified by the conduct of the appellants, which has been such as to preclude the belief that they have derived no advantage from the use of appellee's invention (*Brennan v. Dowagiac Co.*, 162 Fed. 476).

This Honorable Court by construction reduces the scope of appellee's patent to nil, not only denying to appellee any practical benefit from its patent, but inflicting great pecuniary loss upon an innocent party and in favor of a confessed wrong-doer.

Such a construction of the Brown patent as that adopted by this Court is refused by Judge Coxe, in the case of *Gaisman v. Gallert*, 105 Fed. 955, in language so persuasive and so fitted to the case at bar as to justify a special reference to it by way of summary of the foregoing argument. On page 958 he says:

“Two propositions are advanced in support of the contention that the claims are not in-

fringed. First: The claims must be construed so narrowly that no structure will infringe in which the patented device is not 'copied and reproduced in its minutest details.' (The second proposition is specific and therefore omitted here.)

"If the first of these propositions be accepted nothing but a Chinese copy will infringe.

"The proposition is somewhat startling on its face, and should be supported by exceedingly cogent reasoning. If there be a way compatible with reason and common sense to avoid a construction which declares that a patent granted by the government has no claim which protects the invention, that way should be found and followed. It is thought that neither of the defendant's propositions can be maintained. Although the complainants are not entitled to a broad construction they are entitled to a construction which covers plain and palpable imitations of their improvement, and they are also entitled to a liberal reading of the claims when they are attacked by one who is most certainly using the invention. . . . When forced to choose between a construction which destroys and one that saves the patent the court should not hesitate to adopt the latter." (Citations appended.)

The opinion of Judge Coxe, it is submitted, reflects the law, in various aspects, as applicable to

the facts presented in the case at bar, and an opinion from so eminent an authority must of itself carry weight.

Counsel for petitioner hereby certifies that in his judgment this petition is well founded and that it is not interposed for delay.

And your petitioner will ever pray.

BROWN-MEYER COMPANY,

Petitioner.

By JOSEPH L. ATKINS,

Counsel.

